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SUBJECT Senator Sasser/Aid to the Contras

CHARLIE ROSE: Congress and the Administration may be facing another showdown over President Reagan's support for the rebels in Nicaragua. There are reports the Pentagon handed over three small Air Force planes like these to the so-called Contras. Though small, the rocket-equipped planes greatly escalate rebel firepower in Nicaragua's guerrilla war.

Tennessee Senator Jim Sasser says the Defense Department has confirmed the transfer, which Sasser and others say may be in violation of the strict congressional limit on aid to the Contras. Senator Sasser joins us this morning to talk about it.

How did you get the information? This is a difficult story to follow and I want to make sure because there's some crucial questions to ask, because it may very well be, as some of your Democratic colleagues have said, in violation of the spirit and the letter of the law, the congressional cap of \$21 million in terms of support for the Contras. You have been a critic of support for the Contras in Nicaragua, and you're a Democratic Senator from Tennessee. But here is an issue in which you wrote to the Defense Department asking for some information. Where did your interest stem from? Pick up the story.

SENATOR JIM SASSER: Well, we really had to dig it out of the Defense Department. I had been told by people on the scene that there were three aircraft that had appeared at a case called Agua Cati (?) in Honduras that's operated by the Contras, three Cessna aircraft. And we became curious as to where these aircraft had come from and who was furnishing them to the Contras. So we did some digging and we found that these three aircraft were originally owned by the New York National Guard, who had transferred them to the Air Force Logistics Command at

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Andrews Air Force Base. They were then transferred to a secret Pentagon operation called Operation Elephant Herd. And there, the paper trail ends. And the aircraft next turn up in Agua Cati, Honduras. But before going there they make a stop in Delaware, where they are fitted with rockets and other military ordnance.

ROSE: A couple of questions. These three airplanes were turned over to the CIA at Andrews and then they went to the aviation center, Summit Aviation in Delaware, before they went to Nicaragua?

SENATOR SASSER: That's not quite clear when and how they were turned over to a classified agency. But according to a senior Administration spokesman just yesterday, the CIA did gain possession of the aircraft. And we assume from there they went to Delaware to be modified, and then on to Agua Cati to be utilized by the Contras in their incursions into Nicaragua.

ROSE: Did the Contras pay any money to the CIA, or whatever American agency that gave them these planes?

SENATOR SASSER: There's no evidence that the Contras paid for these aircraft. Interestingly enough, five aircraft like those that went to Honduras were declared surplus and were in the inventory of the New York National Guard. Two of those aircraft were sold to the Army of El Salvador for \$60,000 apiece by the Department of Defense. Their three sister aircraft disappeared from the Department of Defense inventory. There's no showing that DOD was paid for these aircraft. And then they turn up in Honduras in control of the Contras.

So, there is no evidence that payment did take place.

ROSE: If no payment took place, does it violate the oversight, does it make a mockery of the congressional oversight of the CIA, because they are restricted in terms of spending \$24 million in fiscal year '84 in support of the Contras, money that may have already been exhausted on the part of the Contras? Does it violate the congressional cap on aid to the Contras?

SENATOR SASSER: If no money changed hands, if the United States Treasury was not compensated for these aircraft, then this certainly violates the spirit of the congressional cap, if not being outright illegal. The Congress put a limitation on funds that could be used to finance the Contra operations. It's clear now, I think, that the Administration, in conjunction with the Central Intelligence Agency, is trying to get around that cap by giving to the Contras military supplies gratis.

ROSE: That's legal?

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SENATOR SASSER: It's not legal. It would be...

ROSE: The letter of the law or the spirit of the law?

SENATOR SASSER: Well, lawyers can argue over whether or not the letter of the law has been violated. It would be my judgment that it has been violated. Certainly the spirit of the law has been violated. We've got the Congress saying clearly, on more than one occasion, spend no more than \$24 million to finance this secret war in Nicaragua.

ROSE: Did either the Senate or the House Intelligence Committee know about the planes to the Contras?

SENATOR SASSER: That I can't answer. Not to my knowledge, but I'm not privy to what the Intelligence Committee knew. I'm not a member of that committee. But not that I'm aware of.

ROSE: Do you know whether there was any questioning about this? Did anyone on the committee ask anyone at the CIA anything about the planes?

SENATOR SASSER: Not that I'm aware of. But there again, I'm not privy to the interaction between the Intelligence Committee and the Administration. But the Intelligence Committee, operating in conjunction with the Congress, I think, has clearly stated that there ought to be a cap on the financial assistance that the United States Government is going to give the Contras. And this military hardware that's operating and going around this cap, I think, is in contravention of what the Congress clearly stated.

ROSE: It is the CIA, in your judgment, using a backdoor mechanism, in cooperation with the Department of Defense, to support the Contras, in violation of congressional mandate?

SENATOR SASSER: I'd say the Administration is encouraging the violation here of the Administration mandate.

Just let me give you what a chronological ordering of what happened here.

ROSE: Would you hold that? We'll be right back.

We're talking to Senator James Sasser from the state of Tennessee, who is investigating what happened to three planes that were used by the Contras in Nicaragua.

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ROSE: Senator Jim Sasser, who's a Democrat from

Tennessee, joins us to talk about three planes that -- the Washington Post has been on this story as well. And their story broke before you received your letter from the Defense Department?

SENATOR SASSER: Yes, that's correct.

ROSE: Their story was essentially accurate, in terms of tracing the same -- the flight of these planes that ended up in the hands of the Contras.

What's the significance of the story for your?

SENATOR SASSER: I think the clear significance is twofold. One, the Administration is attempting to contravene the limitation that the Congress has put on funding for the secret army in Nicaragua.

Secondly, by supplying these aircraft, this is an escalation of the war in Nicaragua.

ROSE: It gives the Contras more firepower.

SENATOR SASSER: Sure. This is the first time that the Contras have been able to operate with close air support. When they get these aircraft, this gives them more firepower, more punch, an escalation of their ability to wage war there.

ROSE: Publicly, the CIA, the Administration and the Contras have all declined comment. What's the explanation they're giving you, a United States Senator?

SENATOR SASSER: Well, we have to dig the explanations out of the Administration. But the Department of Defense has been forthcoming. They've simply said that...

ROSE: Here are the documents.

SENATOR SASSER: "Here are the documents. We turned the aircraft over a classified agency. You can guess what that agency is," and they wash their hands of it at that point and say, "We don't know what happened to the aircraft."

ROSE: One Administration source is quoted in Washington Post as saying other military equipment has been sent to the Contras. Do you have any evidence of that? In other words, is this just the tip of the iceberg?

SENATOR SASSER: I think that's a very disturbing prospect, that these are three aircraft that we know about. What other types of military equipment has gone to the Contras that we

don't know about, in contravention of the cap put on by the Congress? The Administration is looking the other way as it encourages private individuals and other countries to finance the operation of the Contras in Central America, another way to keep this clandestine war going there on the border of Nicaragua.

ROSE: Do we know -- the planes were transferred to a Joint Chiefs of Staff project code named Elephant Herd, as you mentioned. Do we know what Elephant Herd was about?

SENATOR SASSER: We don't know precisely. That is a top secret operation. And frankly, Charlie, if I knew, I couldn't tell you. I just couldn't say. That would be illegal. But it is a top secret operation, and apparently it has something to do with our operations in Central America.

ROSE: Do you have evidence that the Administration --this is one of the questions you asked Secretary of Defense Caspar Weinberger: "Does the Administration plan future transfers of this type?" What did he say?

SENATOR SASSER: They haven't answered that question yet. I'm looking forward to an answer to that question. But so far, neither the Secretary or the Department of Defense has given us an answer.

ROSE: You also asked him, "Under what legal authorities are such transfers carried out?" Did he answer that question?

SENATOR SASSER: Hasn't answered that question yet, either. But we're looking forward to getting an answer. And what the Defense Department is saying, in essence, that, "Look, we turned the aircraft over to a classified agency. That's all we know about it.

ROSE: The classified agency being the CIA, or this Project Elephant Herd?

SENATOR SASSER: The classified agency, according to senior Administration spokesmen, is the CIA.

ROSE: You have asked that the Secretary give you this information because you say Congress should be provided with the policy of the Administration before debating FY-85, fiscal year '85 financing for the Contras.

Will this disclosure have an impact on those deliberations, and perhaps mean no more funding for the Contras for FY-85?

SENATOR SASSER: Well, it could mean no more funding for

the Contras in FY-85, regardless of what transpires with these aircraft or other weaponry that might have been shipped to the Contras.

But clearly, I think, this is a signal to the Congress that you better get cracking here and exercise vigilant oversight, or the Administration is simply going to go around you, contravene your wishes, your stated purpose, the law of the land, so to speak, and surreptitiously ship military hardware to these counterrevolutionaries, or whatever you want to call them, in Nicaragua.

ROSE: Can you tell me if any other member of the United States Senate has come to you and said, "Senator, I knew about those planes"?

SENATOR SASSER: No, none have come to me and said that. But, quite frankly, I would not have expected that. There may be some members who knew about it. I doubt it very seriously.

ROSE: And the next step is to get more information and these unanswered questions that you have asked of the Secretary of Defense to find out what the Administration plans are and if, in fact, how much more equipment was sent down there.

SENATOR SASSER: That's the important thing, to find out how much more equipment has been sent and to fire a shot across the bow of the Administration and the CIA and let them know that the Congress is going to be watching them, and we don't want any more of this business of declaring weapons surplus and then having them disappear from the inventory.

ROSE: Of the Air Force.

SENATOR SASSER: Of the Air Force or any other branch of the service, and then appear, willy-nilly, in the hands of the Contras in Central America.

ROSE: Excuse my naivete. Why can't you just ask the Director of the CIA to come up to the Senate -- and you're a ranking member of the Subcommittee on Military Construction --and say, "Mr. Director, Mr. Casey, what happened here"?

SENATOR SASSER: Well, number one, the Intelligence Committees of both the House and the Senate are the committees with original jurisdiction over the CIA. They would have to ask Mr. Casey to come up, and they would have the power to compel him to come up, quite frankly. But whatever Mr. Casey told them could be classified, which would mean that the Intelligence Committees would have to hold that close and could not disclose it

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ROSE: Senator Sasser, thank you for joining us.

I repeat that the CIA, the Administration, and the Contras have all declined public comment on this.